



PRELIMINARY DRAFT
No. 3097

PREPARED BY
LEGISLATIVE SERVICES AGENCY
2011 GENERAL ASSEMBLY

DIGEST

Citations Affected: IC 4-4-11; IC 5-28; IC 36-10-9.1-18.3.

Synopsis: Noncode statutes. Codifies certain noncode provisions relating to bonding and other economic development activities. Repeals the corresponding noncode provisions.

Effective: July 1, 2011.



A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 4-4-11-16.7 IS ADDED TO THE INDIANA CODE
2 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2011]: **Sec. 16.7. (a) As used in this section, "Indiana
4 development finance authority" refers to the Indiana development
5 finance authority transferred to:**

6 (1) the Indiana economic development corporation by
7 P.L.224-2003, SECTION 264; and

8 (2) the authority by P.L.235-2005, SECTION 213.

9 **(b) As used in this section, "Indiana employment development
10 commission" refers to the Indiana employment development
11 commission transferred to the Indiana development finance
12 authority by P.L.11-1990, SECTION 139.**

13 **(c) The restrictions on eligibility of any mortgage or security
14 agreement under IC 4-4-11-16 (before its repeal) do not invalidate
15 any guarantee of the Indiana employment development
16 commission made before January 1, 1985.**

17 SECTION 2. IC 4-4-11-16.8 IS ADDED TO THE INDIANA CODE
18 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
19 1, 2011]: **Sec. 16.8. (a) All powers, duties, and liabilities of the
20 Indiana employment development commission and the Indiana
21 agricultural development corporation with respect to bonds issued
22 by the commission or the corporation in connection with any trust
23 agreement or indenture securing those bonds are transferred to the
24 Indiana development finance authority as successor.**

25 **(b) The rights of the trustee under any trust agreement or
26 indenture and the rights of the bondholders of the Indiana
27 employment development commission and the Indiana agricultural
28 development corporation remain unchanged, although the powers,
29 duties, and liabilities of the commission and the corporation have
30 been transferred to the Indiana development finance authority.**

31 **(c) All bonds issued by the Indiana employment development**



commission and the Indiana agricultural development corporation are hereby legalized and declared valid if these bonds have been delivered and payment for those bonds has been received before July 1, 1990. All proceedings had and actions taken under which the bonds were issued are hereby fully legalized and declared valid.

SECTION 3. IC 4-4-11-16.9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 16.9. (a)** As used in this section, "IHEFFA" means the Indiana health and educational facility financing authority established by IC 5-1-16-2 (before its repeal).

(b) As used in this section, "IFA" means the Indiana finance authority established by IC 4-4-11-4.

(c) On July 1, 2007, all powers, duties, and liabilities of the IHEFFA are transferred to the IFA, as the successor entity. The terms of office of the members of the IHEFFA serving on June 30, 2007, terminate on July 1, 2007.

(d) On July 1, 2007, all records and property of the IHEFFA, including appropriations and other funds under the control or supervision of the authority, are transferred to the IFA, as the successor entity.

(e) After July 1, 2007, any amounts owed to the IHEFFA before July 1, 2007, are considered to be owed to the IFA, as the successor entity.

(f) After June 30, 2007, a reference to the IHEFFA in a statute, rule, or other document is considered a reference to the IFA, as the successor entity.

(g) All powers, duties, and liabilities of the IHEFFA with respect to bonds issued by the IHEFFA in connection with any trust agreement or indenture securing those bonds are transferred to the IFA, as the successor entity. The rights of the trustee under any trust agreement or indenture and the rights of the bondholders of the IHEFFA remain unchanged, although the powers, duties, and liabilities of the IHEFFA have been transferred to the IFA, as the successor entity.

SECTION 4. IC 5-28-3-5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 5.** The following bodies corporate and politic are transferred to the corporation to be operated as separate corporate entities under the supervision of the corporation on July 1, 2005:

(1) Indiana small business development corporation established under IC 4-3-12-1 (before its repeal).

(2) Indiana economic development council established under IC 4-3-14 (before its repeal).

(3) Indiana development finance authority established by IC 4-4-11-4 (before its amendment by P.L.235-2005).

SECTION 5. IC 5-28-3-6 IS ADDED TO THE INDIANA CODE



AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 6. (a) As used in this section, "transferred programs" refers to the following:

(1) Shovel ready site development center under IC 5-28-28.4, as added by P.L.162-2007 (IC 4-4-11-44 before its repeal).

(2) Capital access program under IC 5-28-29, as added by P.L.162-2007 (IC 4-4-26 before its repeal).

(3) Industrial development loan guaranty program under IC 5-28-30, as added by P.L.162-2007 (IC 4-4-11-16 before its repeal).

(4) Agricultural loan and rural development project guarantee fund under IC 5-28-31, as added by P.L.162-2007 (IC 15-7-5-19.5 before its repeal).

(5) Business development loan fund under IC 5-28-32, as added by P.L.162-2007 (IC 4-4-11-16.5 before its repeal).

(b) On July 1, 2007, all powers, duties, and liabilities of the Indiana finance authority with respect to the transferred programs are transferred to the corporation.

(c) On July 1, 2007, all records and property of the Indiana finance authority with respect to the transferred programs, including appropriations and other funds under the authority's control or supervision, are transferred to the corporation.

(d) After June 30, 2007, any amounts owed to the Indiana finance authority under the transferred programs before July 1, 2007, are considered to be owed to the corporation.

(e) After June 30, 2007, a reference to the Indiana finance authority in a statute, rule, or other document concerning a transferred program is considered a reference to the corporation unless the reference applies to the issuance of obligations.

(f) On July 1, 2007, all powers, duties, and liabilities of the Indiana finance authority with respect to agreements entered into or obligations issued in connection with a transferred program are transferred to the corporation. The rights of a party to such an agreement or the holder of such an obligation remain unchanged, although the powers, duties, and liabilities described in this subsection have been transferred to the corporation.

SECTION 6. IC 5-28-9-8.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 8.5. (a) As used in this section, "department" refers to the department of commerce (before its abolition by P.L.4-2005) established by IC 4-4-3-2 (before its repeal).

(b) Notwithstanding any other law, all loans, loan agreements, or similar arrangements between the department and a qualified entity are legalized and declared valid if these loans, loan agreements, or similar arrangements have been delivered and the department has lent money pursuant to them before April 18, 1985.



1 **All proceedings had and actions taken under which these loans,**
2 **loan agreements, or similar arrangements were undertaken are**
3 **fully legalized and declared valid.**

4 SECTION 7. IC 36-10-9.1-18.3 IS ADDED TO THE INDIANA
5 CODE AS A NEW SECTION TO READ AS FOLLOWS
6 [EFFECTIVE JULY 1, 2011]: **Sec. 18.3. (a) The following do not**
7 **affect the validity of any bonds issued under this chapter before**
8 **February 21, 1986:**

9 **(1) The repeal of section 18 of this chapter by P.L.19-1986,**
10 **SECTION 62.**

11 **(2) The enactment of section 18.1 of this chapter by**
12 **P.L.19-1986, SECTION 63.**

13 **(3) The enactment of section 18.2 of this chapter by**
14 **P.L.19-1986, SECTION 64.**

15 **(b) Sections 18.1 and 18.2 of this chapter, as enacted by**
16 **P.L.19-1986, are intended to replace section 18 of this chapter, and**
17 **the substantive operation and effect of section 18 of this chapter**
18 **continues uninterrupted until either section 18.1 or 18.2 of this**
19 **chapter is amended or repealed.**

20 SECTION 8. THE FOLLOWING ARE REPEALED [EFFECTIVE
21 JULY 1, 2011]: P.L.19-1985, SECTION 6; P.L.20-1985, SECTION 16;
22 P.L.19-1986, SECTION 65; P.L.11-1990, SECTION 139; P.L.11-1990,
23 SECTION 141; P.L.224-2003, SECTION 264; P.L.162-2007,
24 SECTION 43; P.L.162-2007, SECTION 44.

